
**MANAGEMENT AUDIT OF THE
GOVERNMENT PRINTING OFFICE**

**FINAL REPORT
MAY 21, 1998**

**SUBMITTED TO:
GENERAL ACCOUNTING OFFICE
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07/278/160538

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EXECUTIVE SUMMARY

The Legislative Branch Appropriations Act for Fiscal Year (FY) 1998 (P.L. 105-55) required the General Accounting Office (GAO) to conduct a management audit of the U.S. Government Printing Office (GPO). The accompanying Conference Report (H.R. 105-254) instructed GAO to make extensive use of outside consultants to accomplish this audit. In December 1997, Booz Allen was selected, on a competitive basis, to conduct the audit.

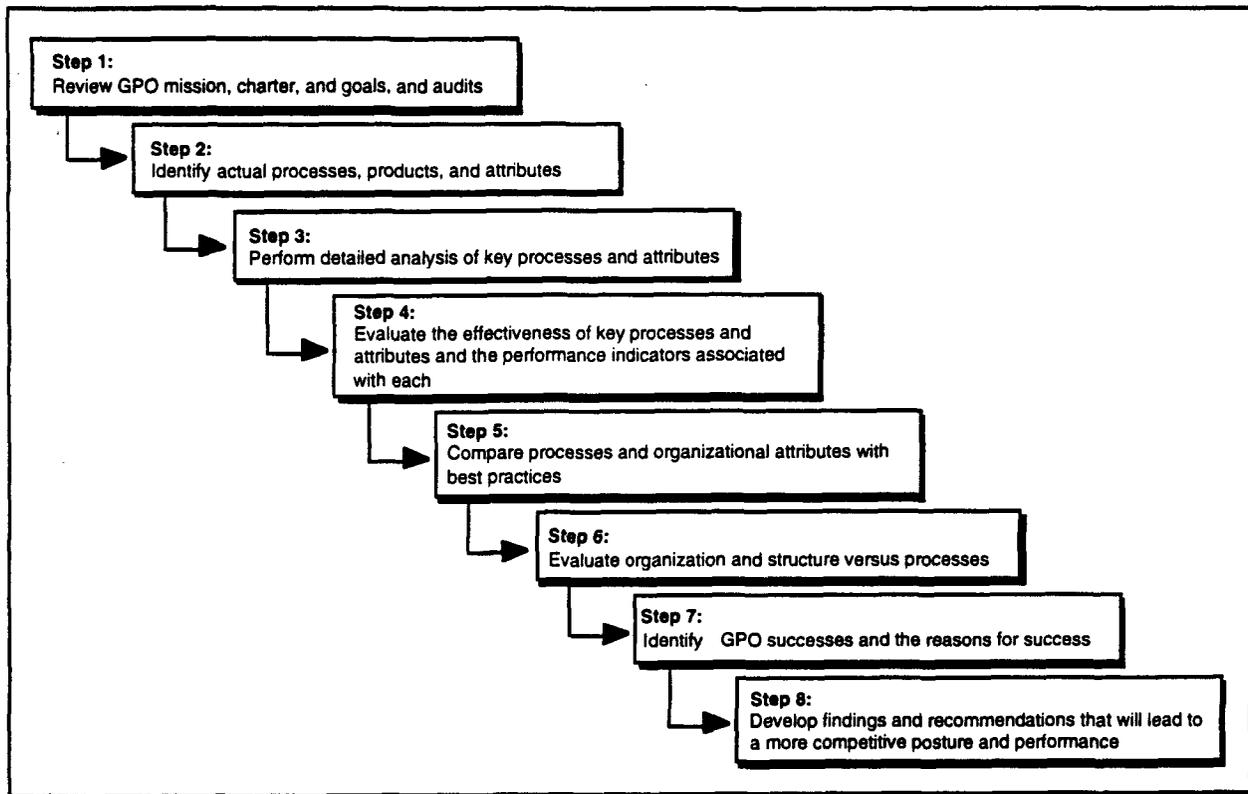
At a minimum, the audit was to provide an objective evaluation of specific activities, including recommendations to improve the GPO's efficiency and effectiveness. Specifically, the audit "should not be encumbered by presupposing that GPO's current operations, including in-house printing on the *Congressional Record* and other resource intensive congressional and executive branch publications and operating with three shifts, cannot be changed." The audit called for us to address six specific areas:

- Superintendent of Documents Sales Program—Appropriateness and adequacy of policies and procedures involving publication inventory management
- Printing Procurement Program—Adequacy and effectiveness of organization, operation, staffing, marketing, financing, procedures for contracting printing services from private vendors, and the process for determining charges for printing and other services provided to Congress and executive branch agencies
- In-plant production—Ways to improve efficiency and cost effectiveness, particularly organization, product mix, management, staffing, and processes for determining charges for printing and other services provided to Congress and the executive branch agencies
- Personnel—Adequacy and appropriateness of personnel matters including training, deployment, and supervisory structure
- Budgeting, accounting, and financial reporting systems—Adequacy and completeness of methodology, presentation, clarity, reliability, and ease of interpretation
- Financial and other management-related observations and recommendations identified during the audit of GPO's consolidated financial statement for the year ending September 30, 1995—Status of GPO's actions regarding the observations and recommendations.

ES.1 ANALYTICAL APPROACH

In conducting this audit, we employed the eight-step analytic approach shown in Exhibit ES-1 and described below.

Exhibit ES-1
Booz-Allen Analytical Approach Structure



Step 1, a literature review, examined GPO's mission, charter, goals, and audits, focusing on the legislation from which GPO's mission and responsibilities are derived. The review was limited to documents produced in the last 5 years. In Step 2, we conducted a series of interviews and focus groups with GPO staff and customers covering each of the operational and functional areas. These were held to determine the processes and attributes of each of the major activities, particularly key processes and attributes that are the drivers of the organization. In Step 3, we analyzed the key processes and attributes identified in Step 2, developing "as is" process flow diagrams and validating them with the staff in the operational and functional areas at GPO. We also conducted a survey of a representative sample of all GPO employees to gather additional information for further analysis. Step 4 evaluated the effectiveness of key processes and attributes based on five characteristics—quality, service, technology, innovation, and cost.

Step 5 compared the key processes and attributes with "best practices." We identified "best practices" in both the government and commercial sectors and compared these with GPO practices. The appropriateness of best practices was weighed against GPO's mission and operations. Based on this analysis, we developed appropriate "to be" processes. In Step 6, we evaluated the organizational structure versus processes to determine whether the existing organization supports the "to be" processes. If it did not support these processes, we recommended a change to the organization structure based on "best practices" in either the government or private sector. In Step 7, we analyzed those areas where GPO has had proven

successes to determine the characteristics of those successes and how the lessons learned from them could be applied to other parts of the organization. We also identified those processes or practices that could serve as “best practices” for others. Finally, in Step 8 we developed the findings and recommendations that will lead to a more efficient and effective GPO.

ES.2 OVERARCHING FINDINGS AND RECOMMENDATIONS

In the course of our analysis, overarching issues arose that, by their nature, affect the organization as a whole. These issues deal with the future and overall organization of GPO and the lack of strategic planning within GPO.

Although, from the customer perspective, there is little support for eliminating GPO, there is a strong desire on the part of customers to improve the efficiency and effectiveness of the organization. The congressional focus group agreed unanimously that Congress needs a printing capability over which they have control. Similarly, when we met with representatives from the executive branch agencies, we found universal support for GPO’s printing procurement services. Finally, disseminating government information to the public is an inherent government responsibility, and we found no evidence that people believe otherwise. In response to these findings, we recommend that GPO focus its energy on creating a future-oriented organizational structure and on developing and adopting new plans and business processes that focus more on where GPO and its customers want it to be and less on where it has been.

We found that GPO has no established strategic planning process and no current strategic plan that articulates where the organization wants to be in the future. GPO’s strategic planning history does not present an encouraging picture. In the mid-1970s, GPO established an agency-wide planning process involving key GPO officials. Although that process continued for several years, it died in the 1980s. In its September 1990 report, *Government Printing Office: Monopoly-Like Status Contributes to Inefficiency and Ineffectiveness*, the GAO recognized that GPO had begun developing a new strategic planning process in 1989 and recommended that GPO strengthen that process. In December 1991, GPO published a strategic plan titled *GPO/2001: Vision for a New Millennium*, followed in January 1993 by a strategic outlook titled *GPO Moving Forward in the Electronic Age*. This was the last strategic document published by GPO about GPO and its future. Without a strategic plan for the organization, there is no context in which to develop strategic plans for the functional areas such as information technology, human resources, and capital investment. We recommend that GPO institutionalize the strategic planning process and link annual budgets to a published strategic plan.

We found that GPO’s organization is highly centralized and does not facilitate communication across functional areas. The organization has a very flat structure with 21 managers reporting to the Public Printer and the Deputy Public Printer. This is an increase of 12 direct reports since 1993. In response to pressure from Congress to eliminate some senior management positions at GPO, the Public Printer eliminated all Assistant Public Printer positions, leaving all of the managers directly below that level reporting directly to him. The

result is a “stovepipe” organization with all organizations reporting up. There is no established senior management or executive steering committee within GPO that meets regularly to plan strategy, discuss policy, or monitor execution across all functional areas. The result is an organization with no strategic planning by top management and poor communication across functional areas. To correct these problems, we recommend that GPO adopt an organization model that reduces the number of senior executives reporting directly to the Public Printer, empowers senior managers to make decisions, and provides easy and effective communication across functional areas.

ES.3 FINDINGS AND RECOMMENDATIONS—MARKETING, SALES, AND DISTRIBUTION

The marketing and sales activities of GPO occur in two organizational entities—Customer Services and Retail Sales Services. Customer Services’ staff are responsible for servicing printing accounts from all three branches of the Federal Government, and the Retail Sales Services staff handle customer orders for single-copy and subscription publications.

In examining how GPO services Federal Government printing accounts, we discovered a number of deficiencies. The source of these difficulties can be traced to three factors: changes in printing technology; a shift toward decentralized administration of printing requirements in Federal agencies; and shortcomings in how GPO staffs, manages, trains, equips, and rewards personnel responsible for servicing printing accounts.

Over the past few years, a revolution in pre-press printing technology, especially in desktop publishing, has been under way. Few GPO account representatives, however, are adequately prepared to advise their customers on how best to use this technology to speed and improve the printing process from the design phase through delivery of the final product. Even though less printing occurs today (as measured by the number of titles and the number of copies), government agency downsizing and decentralization initiatives have increased the workload for GPO account representatives. Compared to a decade ago, GPO account representatives now service twice as many accounts; moreover, agency personnel administering printing requirements appear to have less experience and training in printing operations and thus require more support from GPO.

Although the external factors of changing technology and government downsizing have complicated GPO’s account servicing efforts, much of GPO’s difficulties in this area can be traced to internal personnel matters. GPO’s own attrition has left fewer account representatives to service an even larger number of accounts. Of the staff remaining, little or no training has been provided in account servicing techniques and in critical printing technologies. The staff lack the basic essentials for effective communication, including voice mail, e-mail, and computers. Sound sales management practices also appear to be lacking, along with an incentive system that rewards customer-focused account development. To rectify these internal shortcomings GPO should concentrate on filling position vacancies and providing necessary information technology

support and training in sales management and account servicing methods. GPO should also reengineer and reorganize account servicing teams to include printing specialists from other areas of GPO to bolster consulting services on printing technology.

GPO's Retail Sales Services organization within the Superintendent of Documents has experienced a downturn in sales revenue, which in part has contributed to difficulties in keeping this operation financially viable. The decline in order volume (about 30 percent over the period FY 93–FY 97) can be largely attributed to the placement of formerly paid printed version titles, primarily the *Commerce Business Daily* and the *Federal Register*, on the Internet for free access. The 16 percent decline in sales revenue over this same interval has been less steep, in part because of price increases.

In addition to slumping sales for printed documents, GPO's retail operation suffers from an array of performance problems. The root cause of these problems can be traced to three systemic factors:

- Personnel improperly trained to fill positions in a high-performance, customer-focused retail sales environment
- Organizational structure that impedes effective communication and adaptive learning
- Information systems that are failing to provide suitable and timely information to help staff effectively serve customers and manage the enterprise.

In spite of these problems, GPO's retail sales operation has had several notable accomplishments that show promise in arresting the decline in sales and in improving the performance of order processing:

- Unlike paper documents, the sales of electronic products, primarily on CD-ROM and diskette, have surged tenfold since FY 93, reaching \$2.7 million in FY 97.
- If the pending implementation of the Integrated Processing System (IPS) operates as planned, it will revolutionize order and fulfillment processing.

Recent amendments to Title 44 and other statutes have encouraged GPO and the agencies to make public documents freely available over the Internet. This accelerating trend toward free and widespread electronic access to government documents has undercut the sales base for GPO and raised concerns about the long-term viability of the retail sales operation. The prevailing trend in successive administrations and in Congress has been to seek ways to outsource or privatize government services that are not considered inherently governmental. Although the operational problems of GPO's retail sales activity can be resolved, a long-term and substantial commitment of scarce resources to this endeavor could have a negative impact on GPO's core business—government printing services and free dissemination of government documents through the Federal Depository Library Program (FDLP). Congress could propose outsourcing or

privatizing the sales operation, because Title 44 does not mandate the sale of public documents, and it is not clear whether a government organization should operate a retail sales activity.

In contrast to the retail sales operation, the FDLP's mission is well defined, and its operation managed effectively. The FDLP ensures that access to government information is available to the public at large. People without the technological means to access online information can do so via public access workstations located in the more than 1,400 depository libraries located across the country. Likewise, people who cannot purchase their own copies of print materials of government information can have access to these materials at the depository libraries. Moreover, these collections serve as a historical resource for products that are no longer available through the sales program or publishing agency. In all of the aforementioned cases, depository librarians play a critical role in helping people find the government information they need. Service at the depository libraries is consistent and of high quality. The condition of depository libraries is monitored by the FDLP through periodic inspection visits, self-studies, and a biennial survey, and librarians participate in continuing education efforts sponsored by the FDLP.

GPO's goals for the FDLP program are not clear however. GPO should refine its goals for the FDLP to include specific target dates for completion of the transition of the FDLP to a more electronic basis. GPO should also develop an action plan, including numerical targets, dates and a list of accountable parties, to transition the FDLP to a more electronic basis. Like the retail sales operation, there are opportunities for consolidation that can save resources. This opportunity exists primarily in the distribution of documents to the libraries that could be consolidated with the distribution functions performed by the retail sales operation.

ES.4 FINDINGS AND RECOMMENDATIONS—PRINTING PROCUREMENT SERVICES

The majority of the Government's printing and publishing requirements are satisfied by commercial vendors. GPO has an established infrastructure dedicated to awarding and administering printing and publishing contracts. In FY 97, approximately 380 GPO staff nationwide processed over 177,000 printing procurement actions generating over \$488 million in revenue. The staff in GPO's Printing Procurement Department (PPD) are very experienced printing specialists, many having been with GPO for over 15, 20, and 25 years. Many of these printing specialists started at GPO in the production plant, learning the printing crafts hands-on. This knowledge and skill is now being used to—

- Develop the specifications for the printing/publishing requirements, specifications that the vendors describe as the best the Government produces
- Furnish "preflight" materials to the vendors
- Perform press sheet inspections

- Evaluate and rate vendor quality levels for their various products
- Perform random and routine evaluations of vendor samples
- Resolve any problems between the vendors and the agency customers
- Maintain vendor performance database.

The PPD's operations nationwide do not generate sufficient revenue to cover its total cost allocation. Trends over the last several years show revenues declining at a faster rate than expenses. In FY 97, PPD experienced a net loss of \$2.4 million; the Central Office operations netted a positive income of \$3.9 million, but the aggregate loss of the regional offices was \$6.3 million. Although PPD has been reducing its staff, the revenue per employee has steadily declined as expenses per employee have continued to increase. PPD should capitalize on opportunities to increase revenue and decrease cost. A complete evaluation of the location and operations of the regional printing procurement offices (RPPO) should be conducted with the intent to close or consolidate any RPPO not serving its locale in a significant way. GPO should also investigate opportunities to increase revenues per employee by employing faster and cheaper ways to process procurements, such as greater use of Term Contracts (or other contracts with "ordering" features) across a greater range of printing and publishing products and services. Improving efficiencies per employee requires cost cutting/control mechanisms such as process improvements and automated tools.

GPO Printing Procurement Regulations (PPR) have not kept pace with governmentwide initiatives to streamline acquisitions and emphasize commercial practices. Commercial practices such as "best value" awards based on superior past performance, establishment of vendor/government long-term relationships, and increased use of electronic purchasing are not common practices at GPO. These initiatives are designed to reduce costs, shorten lead times, increase vendor quality, and improve customer satisfaction, all of which would improve PPD's efficiency and satisfy GPO's customer agencies. The requirement to competitively bid all printing requisitions, regardless of dollar value, exhausts time and limited resources and increases costs. GPO's focus on maximizing competition and awarding to the lowest bidder ignores the actual overall cost to the Government of processing the printing requisition and administering the contract to close-out. Printing procurement regulations and procedures should be revised to allow quicker, less costly processing of small dollar value orders and to improve overall efficiency and effectiveness within the department. The requirement to competitively bid all procurements regardless of dollar value should be canceled immediately. GPO should consider raising the threshold for awarding contracts without competitive bids to \$2,500. The PPRs should be modified to encourage the use of commercial practices in printing procurements, specifically, those relating to long-term vendor relationships and awards based on "best value."

ES.5 FINDINGS AND RECOMMENDATIONS—IN-PLANT PRODUCTION

In-plant production is defined as all parts of the organization that directly contribute to product generation, either as core in-plant processes or as key support processes. Core processes assessed include planning and scheduling, electronic photocomposition (preparation of jobs in electronic format), pre-press press, and binding. Key support services evaluated were customer service, engineering/maintenance materials management, and quality control.

GPO in-plant operations are responsible for the production of approximately 25 percent of the printing and information products requisitioned from GPO. The remainder of requisitions are procured from the private sector through the Printing Procurement Program. GPO retains, for internal production, requisitions that cannot be procured on a controlled, timely, and/or cost-effective basis. As of 1997, the Production Department has a staff of 1,692 full-time equivalents (FTE)—approximately one-half the total personnel employed by GPO.

The primary mission of the in-plant production operation is to meet the printing demands of Congress. Congressional revenue accounts for 41 percent of total in-plant revenue. To meet congressional printing needs, GPO has developed an extensive array of information-gathering capabilities, including direct electronic linkages between a variety of offices on Capitol Hill and GPO's central facility and dedicated GPO staff assigned to congressional offices to support generation of daily congressional products.

The remaining 59 percent of in-plant production revenue is generated from executive branch departmental work. The largest recurring departmental products produced in-house are the daily *Federal Register* and the *Code of Federal Regulations (CFR)*. Additional agency work includes U.S. Passports for the State Department; postal cards for the U.S. Postal Service; the U.S. Budget; and other jobs that agencies authorize for in-plant production.

GPO effectively satisfies its priority congressional customers and meets the variable demands and outputs requested by Congress. Similarly, the Production Department is taking steps to modernize its printing capabilities and information technology to more effectively meet the needs of its customers and to provide important information access and dissemination capabilities. Specifically, GPO offers products to the public over the World Wide Web, assists Federal customers in disseminating their information on the Internet, and receives congressional and other jobs electronically so that they go directly into production. In addition, CBDNet, the Commerce Business Daily publishing service, developed in partnership with the Department of Commerce, received a 1997 Hammer Award from the National Performance Review for its successful design, implementation, and utilization.

To fully capitalize on these improvements and successes, and to continue to operate in the Federal marketplace by efficiently providing high-quality products to its customers, GPO needs to solve a number of in-plant production problems. Most of these problems are the result of poor cross-functional knowledge and communication, a fragmented organization, lack of

documentation and standard procedures, poor information management, and ineffective management and control of production processes.

In-plant batch processing focus does not promote cross-functional knowledge sharing, accountability, or effective communication. Therefore, production must break down functional stovepipes to establish cross-functional, process-focused operations.

The current in-plant organizational structure impedes production efficiency and should be realigned to integrate all production-related services and streamline production department divisions to improve in-plant operations. Also, in-plant production does no strategic manufacturing planning, which limits the ability to effectively integrate plant operations and use plant resources. Finally, GPO In-plant does not effectively use systematic manufacturing approaches to control process capability, quality, and cost. By combining existing craft-based knowledge with systematic manufacturing methods, in-plant performance could be improved.

Existing information management systems fail to provide the types of information needed for accurate process planning, control, and improvement. The necessary changes should be made through implementation of next-generation systems. In addition, paper-based production information is poorly structured, disseminated, and controlled. Evaluating information needs and ensuring that consistent, accurate information reaches the right users at the right time would allow more proactive management and control of the production process. Furthermore, production management should more effectively use available financial information to identify opportunities to improve operational performance, reduce costs, and increase production accountability.

Production lacks consistent methods to properly select, train, promote, and retain personnel in critical skill areas. This requires aggressive corrective action to ensure that appropriately skilled workers are available to meet future production demands and requirements.

GPO's large diverse paper inventories require large amounts of warehouse space, multiple suppliers, and a complex paper procurement process, offering opportunities to reduce ordering and carrying costs through alternative inventory management and contracting practices.

ES.6 FINDINGS AND RECOMMENDATIONS—HUMAN RESOURCES

The Booz·Allen team examined issues pertaining to the adequacy and deployment of the GPO workforce. As with any organization, knowledge of its human resources capability and its associated programs, policies, and procedures is vital to understanding overall organizational effectiveness.

To ensure a more balanced approach to our analysis, we distinguish between the “providers” and “customers” of GPO's personnel services. Providers are those individuals and organizational entities within GPO comprising the human resources community, including the Office of Personnel, Occupational Health and Environmental Services, Office of Equal

Employment Opportunity, and Office of Labor/Employee Relations. Customers consist of those remaining individuals and organizational entities that are the recipients of human resources services; in effect, this was “the agency-at-large.”

We reviewed human resources issues from both functional and workforce effectiveness perspectives. From a functional perspective, we reviewed GPO’s Office of Personnel and associated departments/services in relation to meeting the agency’s overall mission with respect to organizational structure, personnel systems, and organizational processes. From a workforce effectiveness perspective, we examined how the Office of Personnel’s associated practices, policies, and procedures contribute to selecting, developing, and retaining a quality workforce.

Our employee survey results showed that there are several strengths in which GPO can take pride and build on, such as in the areas of teamwork, satisfaction with pay, and loyalty and dedication to one’s work and the agency. However, we found that there are many areas on which GPO can improve its human resources capability. In some cases, programs and policies exist but are not applied consistently. In other cases, effective human resources programs have been designed but never implemented because of lack of funding or termination of the programs for various reasons.

We found that, to a large extent, GPO’s human resources function responds reactively to problems and issues. There is no strategic plan, and many opportunities for preventing problems and preparing the workforce for the future are not being seized. Interestingly, as part of the GPO 2001 effort, a thorough human resources strategic plan was developed in October 1992. However, the failure to implement this plan, combined with the elimination or lack of funding of various personnel programs and practices since the early 1990s, has had a negative impact on employee morale, and ultimately, on organizational effectiveness. This reactive posture is evidenced by the following and covers areas of training, position classification, staffing, and succession planning:

- Training is only provided if it is directly related to an employee’s current position; GPO no longer conducts needs assessments to determine current and future training requirements.
- Personnel does not conduct succession planning to manage attrition and develop high potential employees.
- Workload and staffing analyses are not conducted to forecast future staffing needs.
- GPO does not have a framework for integrating the personnel cycle (e.g., selection, performance evaluation, training and career development).
- Position Management no longer conducts proactive position reviews or classification audits as was done in the 1980s.

To address this deficiency, GPO should design and implement an updated human resources strategic plan, incorporating information from the 1992 GPO 2001 human resources plan and recent management audits.

One area in particular that has suffered from a strategic perspective is training and career development. We found that the provision of training at GPO is largely reactive rather than strategic. Despite general instructions in GPO to conduct a training needs assessment every year, such assessments are no longer routinely conducted. The lack of a strategic training needs assessment prevents GPO from providing the right training to meet current and future skill requirements. Additional examples of the reactive nature of training at GPO include—

- Employee Relations does not conduct preventive training on pervasive problems (e.g., abuse of the leave policy); training is typically in response to organizational/governmental mandates (e.g., violence in the workplace).
- Equal Employment Opportunity (EEO) training is no longer routinely provided to managers.
- Employees are not routinely trained in new technologies until they encounter problems.

GPO should re-institute a strategic training needs assessment with an annual review to identify current competencies of staff, needed competencies, and appropriate training interventions. GPO should also re-institute mandatory training for supervisors, managers, and executives, including guidance on Employee Relations and EEO issues.

We found that GPO's Office of Personnel maintains an excellent inventory of written instructions for implementing effective human resources programs, but there is a lack of consistency and accountability in their application. A review of the GPO instructions falling under the responsibility of the Office of Personnel revealed numerous examples of beneficial policies and programs not currently followed or funded. For example, training required for supervisors and managers is not conducted; classification surveys are not conducted by Position Management; and the awards and incentives program has not been funded for many years. The discontinuation of these vital programs, for whatever reasons, has had a devastating impact on the workforce's morale and capability to be effective. We also determined that there is a lack of standardization of GPO's recruitment and selection process, which puts the agency at risk for complaints of employment discrimination and unfair treatment.

GPO should review its existing personnel instructions and implement policies and programs that address the goals and priorities outlined in the new strategic plan for human resources. This should be followed by a regular review and updating process to ensure that GPO's human resources function maintains a strategic posture and proactive role within the agency. To address the lack of standardization in the recruiting and selection process, it should be standardized to ensure consistent application through communication and training, and GPO

should make a concerted effort to increase awareness of the selection process and the rationale behind hiring decisions.

Insufficient opportunities and vehicles exist for effective organizational communication at GPO. The lack of communication can be attributed to structural and reporting changes that have occurred at GPO over the years, as well as day-to-day procedures that are followed. Our focus groups and interview sessions determined there is a lack of formal cross-functional meetings between department/service heads at GPO and the Public Printer. Also, interviews revealed a lack of meetings and communication among high-level officials has had a spillover effect at all levels within GPO, as well as between labor and management. While formal communication between GPO labor and management have proven to be very successful both in the past and in recent policy negotiations, changes need to be made to help improve informal communication efforts.

GPO should implement strategies and tools to ensure sufficient inter- and intra-organizational communication throughout GPO, including regular cross-functional meetings among department/service heads, meetings between department/service heads and the managers and supervisors that report to them, and meetings between supervisors and their employees. These meetings should be supplemented with improved two-way communication, as well as improved written media, such as the *Typeline* newsletter, to discuss issues of a more strategic and informative nature.

Employees are not given incentives for achieving individual or organizational performance standards. Virtually no mechanisms are in place to reward and recognize the outstanding performance of GPO employees. Lack of an adequate reward and recognition system is a major inhibitor in achieving optimal productivity and performance. The Incentive Awards and Recognition System, as well as the awards that are directly related to performance ratings, have not been funded since 1992. Lack of awards and incentives is a major source of frustration among all employees. Lack of incentives for supervisors and managers to achieve performance objectives negatively affects the perception of the usefulness of all personnel functions. Findings from interviews and focus groups reveal that the quality of performance appraisals, the provision of training to employees, the quality of selection decisions, and the willingness to use the discipline process, all suffer from the failure to reward supervisors and managers for achieving performance standards. GPO should provide incentives to reward and recognize outstanding performance and re-institute performance awards and the Incentives and Awards Recognition System.

ES.7 FINDINGS AND RECOMMENDATIONS—BUDGETING, ACCOUNTING AND FINANCIAL REPORTING SYSTEMS

GPO receives funding from two appropriations, the Congressional Printing and Binding Appropriation (used for in-house printing of congressional activities) and the Salaries and Expense Appropriation (used for certain Superintendent of Documents activities). In addition to

these appropriations, GPO has a large Revolving Fund, a business-oriented fund, that finances a continuing cycle of departmental operations, such as the contracted printing program, with receipts derived from operations. The agency's budgeting, accounting, and financial reporting systems (referred to as "financial management" for brevity) are organized to support the funding sources. GPO's financial management functions are conducted with a comprehensive cost accounting system, using accrual-based accounting.

The Booz Allen team's analysis focused on the budgeting function, which includes establishing rates and prices, and on the accounting function, which includes financial reporting. The analysis assessed GPO's financial management in three areas: staff and organization; processes; and systems associated with each function. These were evaluated against two major criteria: effectiveness and efficiency.

The present financial management organization is capable of supporting major GPO initiatives to become more efficient. GPO's financial management organization possesses a high level of knowledge and expertise in its staff capabilities. This capability is backed by existing business-oriented processes, such as a comprehensive cost accounting system and a revolving fund that provides considerable management flexibility to undertake change and to increase efficiency. Although there is a need for considerable modernization of systems and processes, the existing organization has the capabilities today to support major departmental change.

To increase the effectiveness of its financial management, GPO should correct data compromises in several areas. The integrity of data captured by the time reporting system for in-plant production (Production Operations Budgeting and Expenditures [PROBE]) is subject to compromise by system obsolescence and by the adjustment process. GPO should—

- Replace the PROBE time reporting system with focused systems that address time and attendance tracking, print job activity tracking, and machine usage
- Evaluate the factors contributing to the need for corrections such as inadequate shop floor data
- Evaluate the barriers that have prevented past planning efforts to replace the time reporting system from being acted upon
- Structure the planning effort to achieve the necessary change.

GPO also needs to modernize processes and systems to improve the efficiency of financial management. Numerous unintegrated spreadsheets and databases are required to produce budget documents and financial reports. To rectify this, GPO should—

- Expand the Oracle conversion beyond the general ledger to include all applicable budgeting and accounting functionalities

- Implement an executive information system to systematize reporting and accountability for budget expenditure performance
- Simplify processes and workflows as part of system upgrades.

GPO has several basic management processes that serve cost reimbursement goals well but do not increase operating efficiencies. Substantial resources are expended to produce, update, and disseminate overly complex data. For both expenditure tracking against multiple annual appropriations and rate establishment and monitoring for approximately 2,000 print activities, significant staff and system resources are consumed in a process that produces funding tracking or cost reimbursement, but does not address other management concerns, such as cost reduction or greater operating efficiencies. GPO should—

- Consider moving to an annual appropriation for Congressional Printing and Binding to be used in the fiscal year of appropriation
- Conduct an 80–20 (Pareto) analysis to reduce pricing the number of activities to an optimal level.

Rather than developing prices for in-plant production based on target costs, GPO uses actual costs from past years. GPO would be better served if, for the development of rates and prices for in-house printing, it developed a plan for periodic time and motion studies and statistical analysis of production activities that meet criteria. It should then update standards based on analyses and incorporate in price calculations.

ES.8 FINDINGS AND RECOMMENDATIONS—INFORMATION TECHNOLOGY

Information technology (I/T) plays an increasingly important role in supporting GPO's core missions. In addition to the traditional administrative functions, GPO uses I/T extensively to support core mission functions, including in-plant production, printing procurement, and document sales and dissemination. New information technologies (e.g., computer-to-plate printing, electronic publishing, and Internet/World Wide Web) have revolutionized the printing industry, creating new opportunities but also challenging old business practices. GPO faces a constant challenge to use new technologies to improve operations and become more efficient and effective.

GPO's current I/T environment is characterized by a distinct split between past and future operations. The Office of Information Resources Management (OIRM) maintains GPO's legacy business systems including a mainframe processing complex and a large inventory of extremely old, nonintegrated COBOL applications. The Production Department operates most of the modern I/T resources at GPO, including *GPO Access* and related Internet services, automated support to the in-plant production process, and local and wide area network services. Significant I/T capabilities also exist in the Superintendent of Documents and Printing Procurement departments. GPO currently has approximately 240 staff dedicated to I/T

functions, with the majority located in OIRM and the Production Department. Total I/T spending in FY 97 was about \$40 million, or approximately 5 percent of GPO's total budget.

New technology accomplishments at GPO have been significant; for example, *GPO Access* is one of the Government's largest and most active Web sites, and as mentioned previously the *CBDNet* project was selected for the prestigious Hammer Award. GPO's recent introduction of the IPS and computer-to-plate printing technologies is also representative of best practices. Despite these successes, GPO's I/T operations are also characterized by an extremely old and obsolete set of legacy applications, which consume a disproportionate share of resources to maintain. Finally, management of the I/T function is lacking in several key areas, and management reforms are needed to improve the overall GPO I/T operation.

We focused on seven key I/T management issues (organization, Year 2000, management processes, information management, electronic document management, I/T workforce, and information security) and compared GPO operations with best practices in government and industry.

GPO's I/T organization is highly decentralized with limited centralized management leadership, coordination, or oversight. I/T operations at GPO occur at the departmental level, but lack an effective coordination mechanism across departments. The Public Printer and Deputy Public Printer lack the technical expertise to fulfill this requirement. Lack of central oversight and coordination creates isolated stovepipe operations and inhibits I/T service delivery in some areas. Poor communications between departments undermine I/T planning and technical integration. The organizational split between OIRM and the Production Department is particularly harmful because these major I/T operations compete for resources and do not always work together for the common good of GPO. The lack of an I/T strategic plan further complicates the efforts of separate departments to work together to achieve common goals and objectives. This organizational structure undermines GPO's I/T operation and is inconsistent with industry and government best practices. The basic structural flaw should be corrected if GPO wants other aspects of the I/T operation to be fully successful. GPO should strengthen the centralized component of its I/T organization by following government and commercial best practices, appointing a Director of Information Technology (DIT) reporting to the Public Printer with the same responsibilities normally assigned to a chief information officer, and developing an I/T strategic plan.

GPO faces substantial business risks associated with Year 2000 issues relating to its mission-critical legacy systems. Most of GPO's mission-critical business systems are functionally and technically obsolete and have extensive Year 2000 compliance problems. Although GPO has done a great deal of work addressing these problems, it is at least a year behind the Office of Management and Budget's (OMB) recommended timeline, and its approach is not fully responsive to GAO and OMB guidelines. For example, GPO management has stated their assessment phase is scheduled for completion in July 1998, while OMB's completion date for this phase was June 1997. They acknowledge some of the limitations in their Year 2000

plans but firmly believe all their mission-critical systems will be fixed on time. GPO needs to apply a more rigorous project management approach to its Year 2000 efforts and develop and test contingency plans for all mission-critical systems.

GPO faces many challenges in maintaining modern technical skills in its I/T workforce. These are the same challenges all organizations face in attracting and retaining a skilled I/T workforce. GPO's challenges may be more difficult because of the state of their legacy systems environment, limited job classification structures and pay scales, and lack of internal training and career development opportunities. In this environment, GPO cannot compete effectively for modern I/T management and technical skills. GPO should plan on outsourcing a significant portion of its I/T operations to ensure a more reliable supply of modern technical skills. Certain key I/T management functions need to be retained within GPO, but all other operational and technical support functions can be outsourced.

A copy of the draft final report was provided to GPO for comment. A copy of those comments is provided in Appendix R of this report.

Exhibit ES-2 presents a complete list of the Booz·Allen team's findings and recommendations. Refer to the complete report for further explanation and details regarding each finding and its associated recommendation.

**Exhibit ES-2
Findings and Recommendations of the GPO Audit**

Finding	Recommendation
Overarching	
1. From the customer perspective, there appears to be little support for eliminating GPO; there is, however, a strong desire on the part of customers to improve the efficiency and effectiveness of the organization.	1. GPO should focus its energy on creating an organizational structure that is future oriented, and on developing and adopting new plans and business processes that focus more on where GPO and its customers want it to be and less on where it has been.
2. GPO has no established strategic planning process and no current strategic plan that articulates where the organization wants to be in the future.	2. GPO should institutionalize the strategic planning process and link annual budgets to a published strategic plan.
3. The organization of GPO is highly centralized and does not facilitate communication across functional areas.	3. GPO should adopt an organization model that reduces the number of senior executives reporting directly to the Public Printer, empowers senior managers to make decisions, and provides easy and effective communication across functional areas.

Finding	Recommendation
Marketing, Sales, and Distribution	
1. GPO's customer service account representatives are inadequately trained, understaffed, and lack adequate tools to improve and strengthen GPO's relationship with Federal agency printing customers.	1. GPO should revitalize customer service and reengineer the approach to customer communications.
2. GPO's Customer Services operation has little marketing or business development under way.	2. GPO should create a focused marketing and business development group under the leadership of a trained marketing professional.
3. The retail document sales program could be outsourced, privatized, or remain with GPO.	3. GPO should continue with steps to modernize its retail sales operation, but Congress should determine the long-term, viable direction for GPO's retail sales operation.
4. The lack of a strategic plan has left the retail sales operation without a shared vision to guide management's efforts to serve its customers while remaining financially viable.	4. The retail sales operations should evolve a strategy from a planning process directly linked to an overall GPO plan.
5. The current structure of the Superintendent of Documents organization is excessively complex with too much functional redundancy.	5. The SupDocs organization should be streamlined to more efficiently accomplish its stated mission and goals.
6. As currently configured and staffed, the retail sales central order processing operation suffers from numerous problems and requires a complete overhaul.	6. GPO should proceed as planned with the implementation of the IPS software system, but it should also institute a rigorous customer service performance measurement program and develop and execute a new streamlined staffing plan for the Central Order Division.
7. The implementation of GPO's long-awaited IPS in spring 1998 offers the potential for dramatic productivity improvements in order processing and inventory management.	7. GPO should proceed with IPS implementation but develop and implement a new staffing plan to capitalize on the productivity improvement potential inherent in IPS.
8. GPO has established cooperative distribution and marketing initiatives with various public and private sector organizations to achieve expanded distribution of its published products.	8. GPO should be more proactive in seeking cooperative ventures to package, promote, and sell its publications.
9. The process for selecting, pricing, and promoting products for the retail sales program is inefficient and poorly coordinated.	9. GPO should revamp the process for selecting, pricing, and promoting products.
10. GPO's Internet Web site, <i>GPO Access</i> , has become a primary source for free public access for Federal Government documents.	10. GPO should continue with its efforts to place more documents on its <i>GPO Access</i> Web site and, if necessary, seek additional funds from Congress to expand this program.
11. Although sales of printed documents have declined, the sales of information products in electronic format have risen dramatically.	11. GPO should accelerate its product development and marketing efforts in the electronic products area and modify its accounting practices to show how sales of these products have increased.
12. Through more effective use of delivery services, GPO has reduced the postage cost for shipping documents to customers from an average of 24 percent of sales to 16 percent, saving at least \$5 million in FY 97.	12. GPO should explore the possibility of adopting the common practice among mail-order operations of charging an additional standard shipping and handling fee to the customer's invoice.
13. GPO's aggressive actions to eliminate excess, obsolete, and unsalable stock during the past 2 years has freed up about 25 percent of the floor space at Laurel, making it possible to proceed with consolidation from other locations.	13. GPO should take action to reduce its supply of paper stock and other materials at the Springbelt Warehouse in anticipation of an eventual consolidation of the warehouses into a single location. GPO should dispose of or sell excess material handling equipment at the Laurel Warehouse.

Finding	Recommendation
14. Even though the overall shipping and receiving volume has declined by 34 percent during the last 2 years, the staff at the Laurel Warehouse has decreased by only 13 percent (from 160 to 140 staff).	14. GPO should further adjust staff through reassignment or attrition to levels more in keeping with current and projected workload.
15. Storage rates charged to agencies for their consigned publications and periodicals have not been updated since FY 92, and reporting discrepancies exist on the number of pallet spaces and bins that should be charged for agency consignment.	15. GPO should reconcile the number of available and assigned storage spaces (pallets and bins), and review and adjust as necessary the storage rates charged to the agencies.
16. Some GPO bookstores have developed a niche by recognizing the needs of their local markets and capitalizing on them through creative marketing.	16. GPO needs to institutionalize the process of fostering and sharing innovative, local, market-specific initiatives among staff managing the retail book stores.
17. About 60 percent of stores' revenue is generated through mail and telephone orders, raising questions about the need for stores.	17. GPO should develop a mechanism to track sales based on the origin of the order and perform a cost and benefit analysis of the bookstores.
18. Although GPO's bookstores are financially viable as a group, some are unprofitable and most fall short of industry performance standards.	18. After a thorough review, GPO should close or relocate all stores with unprofitable futures and set up a performance measurement system to closely monitor the performance of all open stores.
19. Little standardization of practices exists across stores, and most stores lack the basic necessities to achieve their true market potential.	19. GPO Headquarters should support the bookstores with the necessary resources and guidance to maximize their revenue potential.
20. FDLP's mission is well defined and includes a specific set of goals addressing the increasing amount of government information available in electronic formats.	20. GPO should refine the goals of the FDLP to include target dates for completing the transition of the FDLP to a more electronic basis.
21. GPO has begun partnering with several institutions to share the burden of preservation and dissemination of government documents and to ensure public access to government information in electronic formats.	21. GPO should develop additional depository partnerships with libraries and other government agencies.
22. The FDLP is well managed, provides a valuable public service, and is respected by the library community. Constituency support, including the support of the American Library Association and depository librarians, enhances FDLP's ability to conduct its mission.	22. GPO should expand marketing efforts to all potential stakeholders.
23. Opportunities exist to reduce staff in the Library Programs Service through consolidation.	23. GPO should consolidate functions and reduce staff as necessary to address the duplication of efforts in the library program and the retail sales operation.
24. The roles for the preservation of electronic documents are ill-defined, leading to gaps in the information available to the public and potential problems for permanent access to government information.	24. GPO should continue to pursue changes to Title 44, which require government agencies to provide all documents to the FDLP.
25. The existence of "fugitive" documents undermines the public's ability to access government information.	25. GPO should hold an information campaign to make agencies aware of their compliance responsibilities.
26. FDLP staff are insufficiently trained, thus impeding the transition to a more electronic FDLP.	26. GPO should endorse a training plan to manage FDLP participants' changing roles and provide managers with more authority over personnel decisions affecting their areas.

Finding	Recommendation
27. Problems with the acquisition, classification, ordering, and production processes leave numerous opportunities for human error.	27. GPO should institute a formalized quality control system to improve FDLP processing activities.
Procured Printing Services	
1. The PPD's operations nationwide do not generate sufficient revenue to cover its total cost allocation.	1. PPD must capitalize on opportunities to increase revenue and decrease cost.
2. Workload trends for the PPD indicate that breaking even under the current pricing structure is becoming increasingly difficult.	2. GPO should establish a pricing structure that more realistically addresses the cost of operations.
3. The PPD's hierarchical structure appears geared to justifying positions as opposed to efficient management and optimum utilization of resources.	3. GPO should reorganize the PPD to eliminate current inefficiencies and increase customer focus and communication.
4. The PPD is running on tradition and experience, supplemented by pockets of energy and enthusiasm, not by management and leadership that focus on strategic planning or process improvement.	4. The PPD's management should begin now to establish a vision for the PPD and to develop plans to ensure that the PPD can continue to operate as a viable entity.
5. The PPD's personnel attrition will affect the department's ability to accomplish its mission if corrective action is not adequately planned and implemented.	5. Staffing skills and levels should be reviewed and plans should be prepared to properly manage personnel attrition and workforce transition.
6. GPO PPRs have not kept pace with governmentwide initiatives to streamline acquisitions and emphasize commercial practices; the PPRs require major revisions.	6. Printing procurement regulations and procedures need to be revised to allow quicker, less costly processing of small dollar value orders and to improve overall efficiency and effectiveness within the department.
7. GPO's procurement processes require automation to reduce time and cost.	7. PPD should make a significant investment in automated tools and processes to more efficiently manage printing procurement actions.
8. GPO's vendor database, as currently maintained, is of limited value and use by procurement specialists.	8. GPO should maximize the online availability and impact of using past performance data.
In-Plant Production	
1. Production has established important information access and dissemination systems and capabilities.	1. GPO should leverage knowledge gained through internal I/T accomplishments in the development of an in-plant information technology plan.
2. The Production Department is implementing industry state-of-the-art printing technology, computer-to-plate (CTP) to improve quality and throughput and reduce operating costs.	2. GPO should use the experience gained in CTP implementation to guide other technology acquisition and process improvement initiatives.
3. The Production Department consistently meets a demanding congressional production schedule.	3. GPO should combine lessons learned from Congressional Printing Management Division with customer-focused marketing strategies to continuously improve overall customer service.
4. In-plant batch processing focus does not promote cross-functional knowledge sharing, accountability, or effective communication.	4. The Production Department must break down functional stovepipes to establish cross-functional, process-focused operations.
5. Current in-plant organizational structure impedes production efficiency.	5. GPO should realign the organizational structure to integrate production-related services, and streamline Production Department divisions to improve in-plant operations.
6. In-Plant Production does no strategic manufacturing planning.	6. GPO should develop an in-plant strategic manufacturing plan.

Finding	Recommendation
7. GPO in-plant does not effectively use systematic manufacturing approaches to control process capability, quality, and cost.	7. GPO should improve in-plant performance by combining existing craft-based knowledge with systematic manufacturing methods.
8. Existing information management systems fail to provide the types of information needed for accurate process planning, control, and improvement.	8. The Production Department needs to improve information management capabilities in next-generation systems.
9. Paper-based production information is poorly structured, disseminated, and controlled.	9. GPO should evaluate information needs and ensure that consistent and accurate information reaches the right users at the right time and facilitates proactive management of the production process.
10. Production lacks consistent methods to properly select, train, promote, and retain personnel in critical skill areas.	10. Production must take aggressive action to adequately recruit, train, and retain staff in critical skill areas.
11. GPO's large diverse paper inventories require large amounts of warehouse space, multiple suppliers, and a complex paper procurement process.	11. GPO should improve inventory management practices by reducing ordering and carrying costs.
12. In-Plant Production has operated at a financial deficit during the period FY 93 to FY 96, earning a profit in FY 97.	12. GPO should improve financial performance by reducing costs and improving operational performance.
13. There is interest among commercial printers to produce the <i>Congressional Record</i> .	13. GPO should conduct an outsourcing study to more accurately assess the feasibility of outsourcing the <i>Congressional Record</i> .
Human Resources	
1. To a large extent, the personnel function responds reactively to problems. There is no strategic plan, and many opportunities for preventing problems and preparing the workforce for the future are not being seized.	1. GPO should implement a human resources strategic plan and partner with line managers.
2. The Office of Personnel maintains an inventory of written instructions for implementing effective human resources programs, but there is a lack of consistency and accountability in their application.	2. GPO should review existing personnel instructions and implement policies and programs that address the goals and priorities outlined in the new strategic plan for human resources.
3. The lack of automation in the Office of Personnel leads to inefficiencies in its function. The development of the intranet is a positive first step toward improving communication and effectiveness.	3. GPO should implement an automated human resources information system that integrates personnel-related functions and provides improved functionality.
4. There are insufficient opportunities and vehicles for effective organizational communication at GPO.	4. GPO should implement strategies and tools to ensure sufficient inter- and intra-organizational communication throughout GPO.
5. GPO's aging workforce leaves the agency at risk of instability and loss of organizational knowledge.	5. GPO should implement a system for transferring organizational knowledge to help ensure a smooth and effective succession planning process.
6. The Position Management Branch lacks the resources necessary to ensure effective position management across GPO, causing it to be reactive.	6. GPO should prioritize proactive activities in the Position Management Branch and increase the accountability of supervisors and managers to ensure effective position management.
7. The lack of formal workload and staffing analyses at GPO leads to inconsistencies in the amount of work required across different departments/services.	7. GPO should conduct formal workload and staffing studies and promote cross-training opportunities to ensure appropriate distribution of work across GPO.

Finding	Recommendation
8. GPO supervisors and managers do not have the authority to make critical and timely personnel-related decisions.	8. GPO should increase the authority of managers and supervisors to make critical and timely personnel-related decisions.
9. GPO's use of formal and informal teams provides examples of success.	9. GPO should capitalize on successes realized from past team efforts and seize opportunities to implement team-based work units to improve communication and agency effectiveness.
10. The lack of standardization of GPO's recruitment and selection process places the agency at risk for complaints of employment discrimination and unfair treatment.	10. GPO should standardize recruitment and selection processes and ensure consistent application through communication and training.
11. The rating and ranking panels, which provide opportunities for employee involvement and accurate selection decisions, are not being used in a consistent and effective manner.	11. GPO should conduct ongoing assessments of the role and effectiveness of the rating panels.
12. The Office of Personnel is not strategically involved in staffing decisions.	12. GPO should develop a long-term strategy for recruiting and staffing, including a succession plan.
13. GPO's compensation program consists primarily of base pay and merit increases. No major component considers individual employee performance.	13. GPO should consider implementing a pay-for-performance compensation plan with a variable component to reward and recognize employee performance.
14. A majority of GPO employees are satisfied with their base pay packages.	14. GPO should conduct a formal benchmarking or best practices study regarding the compensation practices of other manufacturing organizations in a unionized environment.
15. There are no clear and measurable performance standards for work areas, departments, or services.	15. GPO should clearly define performance objectives and corresponding standards for all work areas and departments/services.
16. Employees are not provided incentives for achieving individual or organizational performance standards.	16. GPO should provide incentives to reward and recognize outstanding performance. GPO should reinstitute performance awards and the Incentives and Awards Recognition System.
17. The performance appraisal process does not serve its purpose of recognizing high performers, identifying the development needs of employees, and providing career progression opportunities.	17. GPO should improve the performance appraisal process to make it a better indicator and motivator of high performance.
18. In general, the provision of training at GPO is reactive rather than strategic.	18. GPO should reinstitute a strategic training needs assessment with an annual review to identify current competencies of staff, needed competencies, and appropriate training interventions.
19. Supervisory and management training is not provided on a routine basis, which results in decreased morale and the risk of violation of employee rights.	19. GPO should reinstitute mandatory training for supervisors, managers, and executives, including guidance on Employee Relations and Equal Employment Opportunity issues.
20. The Training and Career Development Branch lacks sufficient financial resources and personnel qualifications to meet GPO's training needs.	20. GPO should allocate the resources and personnel that the Training and Career Development Branch must have to play a major role in developing needed skills among GPO's workforce and be positioned to meet the challenges of developing future capabilities.
21. Despite a few effective training practices, adequate training is generally unavailable to the majority of GPO employees.	21. GPO should increase access to training by updating course offerings and delegating approval authority to managers.

Finding	Recommendation
22. Lack of training in labor relations and employee relations leaves the agency at risk of violating employees' rights under the existing union contracts.	22. GPO should reinstitute the employee relations training for supervisors.
23. Effective formal communication between labor and management has led to successful outcomes. Little informal communication occurs between labor and management outside that required for negotiation of high-impact issues.	23. GPO should develop systematic ways to increase communication between labor and management.
24. Labor and Employee Relations takes an overall reactive stance when dealing with disciplinary issues.	24. GPO should adopt a proactive Labor and Employee Relations stance to address repetitive disciplinary issues.
Financial Management	
1. The Office of Budget Personnel have a high level of subject matter expertise.	No recommendation.
2. Budget formulation is not linked to a formal, comprehensive strategic plan.	2. GPO should implement a systematic strategic planning process that provides the basis for current-year operating and capital investment budget requests.
3. Functional managers are not systematically held accountable for budget expenditure variances.	3. GPO should implement an executive information system that provides disciplined reporting and variance analysis response accountability.
4. Substantial resources are expended to produce, update, and disseminate overly complex data.	4. GPO should evaluate costs and benefits of data precision relative to actions that can be taken.
5. Prices for in-plant printing reflect "as-is" costs rather than "should-be" rates.	5. GPO should evaluate data used for standard price calculations and incorporate periodic work measurement studies.
6. The basis for allocating labor and other costs for organizations that charge to more than one funding source cannot be substantiated.	6. GPO should evaluate more quantifiable processes to measure actual costs that will produce more accurate and auditable results.
7. Numerous unintegrated spreadsheets and databases are required to produce budget documents and reports.	7. GPO should implement an integrated online accounting and financial reporting system.
8. Office of Comptroller personnel have a high level of subject matter expertise.	No recommendation.
9. Separate budget and comptroller organizations hinder effective communication.	9. GPO should create a Director of Finance position to provide unitary accountability for the spectrum of planning, financial management, and pricing functions.
10. The integrity of data captured by the time reporting system for in-plant production is subject to compromise by system obsolescence and by the adjustment input process.	10. GPO should replace the PROBE system with focused systems that address time and attendance tracking, print job activity tracking, and machine usage.
11. Some inaccuracies in billing to customers have been documented.	11. GPO should strengthen internal controls and implement a quality control program for billing.
12. Cost allocation methodologies are based on traditional measures.	12. GPO should revise cost allocation methodologies to more closely reflect present-day operating conditions.
13. Numerous unintegrated spreadsheets and databases are required to produce financial statements and reports.	13. GPO should implement an integrated on-line accounting and financial reporting system.
14. Some financial systems are not adequately documented.	14. GPO should complete the documentation of financial systems and update documentation where appropriate.

Finding	Recommendation
15. GPO's business-oriented financial systems make substantial contributions to managing product line operations.	15. No recommendation.
Information Technology	
1. GPO has successfully implemented new I/T capabilities in many parts of the organization.	1. GPO needs to leverage its I/T strengths as it prepares for the future.
2. GPO's I/T organization is highly decentralized with limited centralized management leadership, coordination, or oversight.	2. GPO should strengthen the centralized component of its I/T organization by following government and commercial best practices.
3. GPO faces substantial business risks due to Year 2000 issues relating to its mission-critical legacy systems.	3. GPO needs to apply a more rigorous project management approach to its Year 2000 efforts.
4. GPO lacks consistent I/T management processes.	4. GPO should reengineer key I/T management processes, drawing on government and commercial best practices.
5. Information management capabilities are inhibited by GPO legacy systems.	5. GPO needs to improve information management capabilities in its next-generation systems.
6. GPO's continued reliance on XYWrite software for electronic document management frustrates many congressional users, but the solution to this problem does not lie solely with GPO.	6. GPO should continue working closely with congressional SGML and electronic document management initiatives while beginning to develop its own SGML capabilities.
7. GPO faces many challenges in maintaining modern technical skills in its I/T workforce.	7. GPO should plan on outsourcing a significant portion of its I/T operations to ensure a more reliable supply of modern technical skills.
8. GPO's information systems security program has been undermined by staff reductions and budget cuts.	8. GPO needs to strengthen its information systems security program.